



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street  
San Francisco, CA 94105

APR 22 2010

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CERTIFIED MAIL 7007-2560-0001-7660-7679  
RETURN RECEIPT REQUESTED

In reply, refer to WST-3

**Notification of Intent to File a Determination of Violation, Compliance Order and Notice of Right to Request a Hearing against Highland Plating Company**

Mr. Max Faeth  
President  
Highland Plating Company  
1001 No. Orange Drive  
Los Angeles, CA 90038

Dear Mr. Faeth:

On October 23, 2009, representatives of the EPA, accompanied by a representative of California's Certified Unified Program Agency (CUPA), conducted a Compliance Evaluation Inspection at Highland Plating Company ("Highland" or "the facility"), located in Los Angeles, CA, with EPA Identification Number CAD008292153. Based on information gathered during and after the inspection, the EPA is preparing to bring an administrative action against Highland to ensure compliance and assess penalties, pursuant to Section 3008(a)(1) of RCRA, as amended {42 U.S.C. § 6928(a)(1)}.

The allegations being considered are violations of Section 3002 of RCRA, 42 U.S.C § 6922, and its implementing regulations. The violations of the California Code of Regulations ("C.C.R.") specified below are federally enforceable regulations under the State of California's authorized RCRA Subtitle C program. The allegations against Highland are:

1. Storage of hazardous waste without a permit in violation of 22 CCR § 66270.1 [40 Code of Federal Regulations ("CFR") § 270.1];
2. Failure to properly maintain and operate the facility in violation of 22 CCR § 66265.31 [40 CFR § 265.31] & 22 CCR § 66265.35 [40 CFR § 265.35];
3. Failure to develop and implement a hazardous waste management personnel training plan in violation of 22 CCR § 66265.16 [40 CFR § 265.16];

4. Facility contingency plan does not include list of emergency equipment location in violation of 22 CCR § 66265.52 [40 CFR § 265.52];
5. Failure to properly close hazardous waste containers in violation of 22 CCR §§ 66262.34(e)(1)(D); 66265.173(a) [40 CFR §§ 262.34(c)(1)(i); 265.173(a)] & 22 CCR §§ 66262.34(a)(1)(A); 66265.173(a) [40 CFR §§ 262.34(a)(1)(i); 265.173(a)];
6. Failure to provide adequate aisle space for hazardous waste containers in violation of 22 CCR § 66262.34(a)(4) [40 CFR §§ 262.34(a)(4)] & 22 CCR § 66265.35 [40 CFR §§ 265.35].

In anticipation of filing a Determination of Violation, Compliance Order and Notice of Right to Request a Hearing (hereinafter "Complaint") against Highland, the EPA is extending Highland the opportunity to submit any information that the EPA should consider before issuing the Complaint. Relevant information may include any evidence of reliance on compliance assistance, additional compliance tasks performed subsequently to the inspection, or financial factors bearing on Highland's ability to pay a civil penalty. In addition, the EPA encourages Highland to explore the possibility of settlement. If you are interested in commencing settlement negotiations, please contact Ms. Jennifer Downey of my staff at (415) 972-3342, or have your counsel contact Ms. Rebecca Sugerman in our Office of Regional Counsel at (415) 972-3893 by May 14, 2010 to schedule a meeting or conference call.

It is EPA's intention to file a Complaint against Highland within 45 calendar days unless Highland advises the EPA of substantial reasons not to proceed. Please send your response by certified mail, return receipt requested, addressed to:

Jennifer Downey  
Mailcode: WST-3  
RCRA Enforcement Office  
US Environmental Protection Agency  
75 Hawthorne Street  
San Francisco, CA 94105

Any penalty proposed for violations of RCRA and its implementing regulations will be calculated pursuant to the EPA's "RCRA Civil Penalty Policy," a copy of which has been enclosed. Also enclosed is a copy of the EPA's "Supplemental Environmental Projects Policy" ("SEP Policy"). The EPA's SEP Policy describes the terms under which a commitment to perform an environmental project may mitigate, in part, an EPA civil penalty. The EPA offers small businesses a wide variety of compliance assistance resources and tools designed to assist them to comply with Federal and State environmental laws. These resources and tools are contained in the enclosed fact sheet of supplemental information for small businesses subject to an EPA enforcement action. Also enclosed for your information are requirements of the Securities and Exchange Commission ("SEC Notice") for "registrants" to provide information on environmental legal proceedings to the public. To determine the applicability of these requirements to your company, you should seek competent legal counsel as described in the enclosed SEC Notice.

EPA regulations governing confidentiality of business information are set forth in 40 C.F.R. Part 2, Subpart B. For any portion of the information submitted which is entitled to confidential treatment, please assert a confidentiality claim according to 40 C.F.R. § 2.203(b). If the EPA determines that the information so designated meets the criteria set forth in 40 C.F.R. § 2.208, the information will be disclosed only to the extent, and by means of the procedures specified in 40 C.F.R. Part 2, Subpart B. The EPA will construe the failure to furnish a confidentiality claim within 14 days from the date of your receipt of this letter as a waiver of that claim, and information may be made available to the public by the EPA without further notice.

Thank you for your prompt attention to this matter. If you have any questions, please contact Ms. Jennifer Downey of my staff at (415) 972-3342, or have your counsel contact Ms. Rebecca Sugerman in our Office of Regional Counsel at (415) 972-3893.

Sincerely,

A handwritten signature in black ink, appearing to read 'Amy C. Miller', written in a cursive style.

Amy C. Miller, Manager  
RCRA Enforcement Office

Enclosures

cc (w/out enclosures): Chris Faeth, VP of Operations  
Mashid Harrell, LAFD  
Chuck McLaughlin, DTSC  
Rebecca Sugerman, ORC